EIB Group survey on investment and investment finance 2020
Country overview

Denmark
EIB Group survey on investment and investment finance 2020.
Country overview: Denmark
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About the EIB Investment Survey (EIBIS)
The EIB Group Survey on Investment and Investment Finance, which has been administered since 2016, is a unique, annual survey of some 13 500 firms. It covers firms in all European Union Member States and also includes a sample of firms in the United Kingdom and the United States.

The survey collects data on firm characteristics and performance, past investment activities and future plans, sources of finance, financing issues and other challenges that businesses face. The EIBIS, which uses a stratified sampling methodology, is representative across all 27 EU Members States, the United Kingdom and the United States, as well as across four classes of firm size (micro to large) and four main economic sectors (manufacturing, construction, services and infrastructure). The survey is designed to build a panel of observations, supporting the analysis of time-series data. Observations can also be linked back to data on firm balance sheets and profit and loss statements. The EIBIS was developed by the EIB Economics Department. It is managed by the department with the support of Ipsos MORI.

About this publication
The series of reports provide an overview of data collected for the 27 EU Member States, the United Kingdom and the United States. The reports are intended to provide a snapshot of the data. For the purpose of these publications, data are weighted by value-added to better reflect the contribution of different firms to economic output. Contact: eibis@eib.org.

Download the findings of the EIB Investment Survey for each EU country or explore the data portal at www.eib.org/eibis.

About the Economics Department of the European Investment Bank
The mission of the EIB Economics Department is to provide economic analyses and studies to support the Bank in its operations and in its positioning, strategy and policy. The department and its team of 40 economists is headed by Debora Revoltella, director of economics.

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EIBIS 2020 – Denmark

KEY RESULTS

Investment Dynamics
With the COVID-19 crisis affecting the economy, investment in Q2 2020 is 2.8% below the pre-crisis 2019 level. This drop in investment levels is lower than the drop experienced in the EU on average (19%).

COVID-19 has affected firms’ investment strategies for 2020 with four in ten firms (40%) investing less than planned. This is broadly in line with the EU average (45%).

Investment Focus
More than a third (35%) of firms, with investment plans for the current financial year, plan to abandon or delay at least some of their investments as a result of COVID-19, the same as the EU average (35%). One in six (16%) firms with investment plans report that they will continue at least some of their investment plans with a reduced scale/scope. This is similar to the EU average of 18%.

Across all sectors, the most frequently cited long term impact of COVID-19 is expected to be the increased use of digital technologies (50%).

Investment Needs and Priorities
Two-thirds of firms (66%) were operating at or above full capacity in the last financial year, similar to EIBIS 2019 (67%) and the EU average (61%).

Investing in new products and services (35%) continues to be the top investment priority for firms in Denmark over the next three years.

Innovation Activities
Three-quarters of firms in Denmark (75%) have implemented, either fully or partially, at least one of the digital technologies.

Drivers and Constraints
On balance, firms in Denmark expect a deterioration across all five short-term outlooks in the next twelve months.

Uncertainty about the future (70%) is now the biggest long term barrier to investment, an increase of eleven percentage points compared to EIBIS 2019 but still below the EU average (81%).

Investment Finance
Internal funds continued to account for the highest share of investment finance by firms in Denmark (72%). This is higher than in EIBIS 2019 and the EU average (64% and 62% respectively).

More than four in five (84%) of firms report generating a profit in the last financial year, in line with EIBIS 2019 and the EU average (79% and 80% respectively).

Access to Finance
Firms using external finance in 2019 are on balance satisfied with the amount, cost, maturity, collateral and type of finance received.

Energy Efficiency
More than half (51%) of firms have invested in measures to improve their energy efficiency, in line with EIBIS 2019 and the EU average (48% and 47% respectively).

The average share of investment in measures to improve energy efficiency by firms in Denmark is 10% of total investment in EIBIS 2020, which is similar to EIBIS 2019 (7%) and the EU average (12%).

Climate Change
Firms in Denmark are expecting the transition to a low-carbon future to be positive for market demand (36%) and for their reputation (22%) but to have a negative impact on their supply chain (-6%) over the next five years.

Two-thirds of firms in Denmark (66%) have already invested or plan to invest in the next three years in measures to tackle the impact of weather events or to reduce carbon emissions. This is in line with the EU average (67%).
Investment Dynamics

INVESTMENT DYNAMICS BY INSTITUTIONAL SECTOR

With the COVID-19 crisis abruptly affecting the economy, investment in Q2 2020 dropped 2.8% below the pre-crisis 2019 level. Denmark is one of the countries with least impact on investment and well above the EU average where investment is dropping by 19%.

INVESTMENT CYCLE

In line with the EU, the investment cycle in Denmark has peaked, with the country moving into the ‘high investment contracting quadrant. Thus, unlike in 2019, firms expect, on balance, investment in the current financial year to decline.

This result applies to firms of all sectors and regardless of size class. However, firms in the service sector (85%) are the least likely to invest.

Share of firms investing shows the percentage of firms with investment per employee greater than EUR 500. The y-axis line crosses x-axis on the EU average for 2016. Base: All firms (excluding don’t know/refused responses)
Investment Dynamics

EVOLUTION OF INVESTMENT EXPECTATIONS
Realised/expected change in investment

Regarding realised investment in 2019, on balance 15% of firms reported increased investment activities, down from 25% in 2018. However, the net balance of firms increasing their investment was still above the expectations from EIBIS 2019 (net 6%).

Currently, the investment outlook is extremely negative. On balance, 19% of firms expect to reduce investment. Still, this share is lower than in the EU as a whole (net 28%).

IMPACT OF COVID-19 ON INVESTMENT

COVID-19 has affected firms’ investment strategies for 2020 with four in ten firms (40%) investing less than planned. This is broadly in line with the EU average (45%).

A greater share of firms in the services sector (49%) and the manufacturing sector (47%) have invested less than planned when compared to the construction and infrastructure sectors (20% and 27% respectively).

Q: Have your company’s overall investment expectations for 2020 changed due to coronavirus?

Base: All firms with investment plans for the current financial year (excluding don’t know/refused responses)
Investment Focus

**LONG TERM IMPACT OF COVID-19 BY SECTOR AND SIZE**

It appears that COVID-19 spurs technological change. Overall, the most frequently cited long-term impact of COVID-19 is expected to be the increased use of digital technologies (50%). This view is particularly prevalent among service sector firms (61%) and large firms (62%).

Three in ten firms in Denmark (30%) expect COVID-19 to affect their supply chain, although this is lower for firms in the construction (24%) and infrastructure (23%) sectors.

One in six firms (17%) expect a permanent reduction in employment levels, although this is much lower within the construction sector (5%).

Q. Do you expect the coronavirus outbreak to have a long-term impact on any of the following?

*Base: All firms*
Investment Focus

**PURPOSE OF INVESTMENT IN LAST FINANCIAL YEAR (% of firms’ investment)**

The replacement of existing buildings, machinery, equipment and IT accounts for the largest share of investment in Denmark in 2019 (41%). The importance of replacement investment is similar to EIBIS 2019 (42%), broadly in line with the EU average (47%), and does not vary much across sectors and size class (all being 41% or 42%).

Construction firms (13%) had a lower share of investment for introducing new products, processes or services than firms in the other sectors (ranging from 21% to 26%).

Large firms report a higher share of investment in capacity expansion than SMEs (27% versus 17%).

At 43%, investment in machinery and equipment accounted for the highest share of investment in Denmark, the same share as in EIBIS 2019 but lower than the EU average (49%).

This is followed by investment in software, data, IT and websites (20%), and land, business buildings and infrastructure (14%). The pattern for all six areas is in line with the EIBIS 2019 findings.

Manufacturing firms (13%) tended to allocate a larger share of their investment to R&D than other sectors (ranging from 3% to 7%).

Firms in the services sector report the highest share of investment in software, data, IT and websites (28%, compared to between 12% and 21% for the other sectors).

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**INVESTMENT AREAS**

At 43%, investment in machinery and equipment accounted for the highest share of investment in Denmark, the same share as in EIBIS 2019 but lower than the EU average (49%). This is followed by investment in software, data, IT and websites (20%), and land, business buildings and infrastructure (14%). The pattern for all six areas is in line with the EIBIS 2019 findings.

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Investment Needs and Priorities

PERCEIVED INVESTMENT GAP

Around eight in ten firms believe their investment over the last three years was about the right amount (82%). This is eight percentage points higher than in EIBIS 2019 and in line with the EU average (80%).

Firms in the service sector were the least likely to report they had invested about the right amount (71% compared between 86% to 87% among firms in other sectors).

SHARE OF FIRMS AT OR ABOVE FULL CAPACITY

Two-thirds of firms (66%) were operating at or above full capacity in the last financial year, similar to EIBIS 2019 (67%) and broadly comparable to the EU average (61%).

Firms in the manufacturing sector are the least likely to be operating at or above full capacity (51%, compared to between 73% and 75% among firms in the other sectors).
Investment Needs and Priorities

FUTURE INVESTMENT PRIORITIES (% of firms)

Investing in new products and services (35%) continues to be the top investment priority for firms in Denmark over the next three years.

Firms in the manufacturing sector (43%) are the most likely to cite developing new products and services, whilst those in the construction sector are the least likely (18%).

Replacing existing buildings, machinery, equipment and IT is the most commonly cited investment priority among firms in the construction sector (45%, compared to between 25% and 33% for other sectors).

Fewer firms in Denmark state that they have no investment planned compared to the EU average (4% versus 12%). Construction firms are the most likely to have no investment planned (12%).

Q. Looking ahead to the next 3 years, which is your investment priority (a) replacing existing buildings, machinery, equipment, IT; (b) expanding capacity for existing products/services; (c) developing or introducing new products, processes, services?

Base: All firms (excluding don’t know/ refused responses)

COVID-19 IMPACT ON PRIORITIES

The investment priorities of firms affected by COVID-19 in Denmark differ slightly from those not affected. In particular, the share of firms investing in capacity expansion is lower among firms impacted by COVID-19 (21% and 36% respectively).

Impacted firms in Denmark were less likely than impacted firms in the EU to have no investment planned (4% and 13% respectively).
Innovation Activities

INNOVATION ACTIVITY

Just under half of firms (49%) claim to have developed or introduced new products, processes or services. This is in line with EIBIS 2019 (51%), but above the EU average (42%).

Specifically, around one-fifth (21%) of all firms claim that their innovation is new to the country or the world, ahead of the EU average (15%).

Construction firms are the least likely to innovate (72% compared with between 42% to 59%, among other sectors).

As expected, large firms are more likely to innovate than SMEs (55% and 44%, respectively).

INNOVATION PROFILE

The ‘No innovation and no R&D’ group comprises firms that did not introduce any new products, processes or services but without undertaking any of their own research and development effort. ‘Developers’ are firms that did not introduce new products, processes or services but allocated a significant part of their investment activities to research and development. ‘Incremental’ and ‘Leading innovators’ have introduced new products, processes and services and also invested in research and development activities. The two profiles differ in terms of the novelty of the new products, processes or services. For incremental innovators these are ‘new to the firm’, for leading innovators ‘these are new to the country/world’.

When examining firms’ innovation activities more closely, it turns out that 18% of firms in Denmark fit one of the active innovators categories, which is similar to the EU average (20%). Four per cent are ‘developers’, and again this is close to the EU average (6%).

**Q.** What proportion of total investment was for developing or introducing new products, processes, services?

**Q.** Were the products, processes or services new to the company, new to the country, new to the global market?

Base: All firms (excluding don’t know/refused responses)

When examining firms’ innovation activities more closely, it turns out that 18% of firms in Denmark fit one of the active innovators categories, which is similar to the EU average (20%). Four per cent are ‘developers’, and again this is close to the EU average (6%).
Innovation Activities

IMPLEMENTATION OF DIGITAL TECHNOLOGIES

Three-quarters of firms in Denmark (75%) have implemented, either fully or partially, at least one of the digital technologies they were asked about. This is in line with EIBIS 2019 (70%) but well above the EU average (63%).

One in six firms report organising their entire business around at least one digital technology, again exceeding the EU average (17% and 12% respectively).

Large firms and manufacturing firms are the most likely to have implemented digital technologies, either fully or partially, within their business (91% and 82% respectively).

In terms of the adoption of individual technologies, service and infrastructure firms are more likely to be using cognitive technologies compared to the equivalent EU sector average.

Q: Can you tell me for each of the following digital technologies if you have heard about them, not heard about them, implemented them in parts of your business, or whether your entire business is organised around them?

Base: All firms (excluding don’t know/refused responses)

DIGITAL TECHNOLOGIES BY SECTOR

Q: Can you tell me for each of the following digital technologies if you have heard about them, not heard about them, implemented them in parts of your business, or whether your entire business is organised around them?

Base: All firms (excluding don’t know/refused responses)
Drivers And Constraints

SHORT TERM FIRM OUTLOOK

On balance, firms in Denmark have become more pessimistic about the short-term outlook, although fewer firms are pessimistic about the political/regulatory climate than in EIBIS 2019 (-9% versus -23%). Firms are more pessimistic about the overall economic climate compared to EIBIS 2019 (-57% versus -17%). However, this is in line with the EU net balance.

Drivers And Constraints

SHORT TERM FIRM OUTLOOK

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Drivers And Constraints

SHORT TERM FIRM OUTLOOK BY SECTOR AND SIZE (NET BALANCE %)

The pessimistic assessment of the short term outlook applies to most sectors and regardless of firm size, but there are some differences.

Firms in the services and manufacturing sectors are on balance positive about the availability of internal finance (+6% and +1% respectively) and so too are firms in the construction sector on their business prospects (+3%).

Services and infrastructure firms are most likely to be negative about the overall economic climate (-69% and -66% respectively).

Large firms are more pessimistic than SMEs on balance about the overall economic climate (-65% versus -49%) and their business prospects in their sector (-33% versus -14%).
Drivers And Constraints

LONG TERM BARRIERS TO INVESTMENT

COVID-19 also shapes perception of investment barriers. Uncertainty about the future (70%) is now the most frequently cited long term barrier to investment, an increase of eleven percentage points on EIBIS 2019 but still below the EU average (81%).

The availability of skilled staff is perceived to be less of a barrier than in EIBIS 2019 (61% versus 79%) and also below the EU average (73%).

Firms in the services sector are relatively more concerned about the uncertainty about the future than other sectors (80%), whilst construction firms are relatively more concerned about the availability of skilled staff (75%).

LONG TERM BARRIERS BY SECTOR AND SIZE

Q. Thinking about your investment activities in Denmark, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

Base: All firms (data not shown for those who said not an obstacle at all/don’t know/refused)

Q. Thinking about your investment activities in Denmark, to what extent is each of the following an obstacle? Is it a major obstacle, a minor obstacle or not an obstacle at all?

Base: All firms (data not shown for those who said not an obstacle at all/don’t know/refused)

Reported shares combine ‘minor’ and ‘major’ obstacles into one category

Base: All firms (data not shown for those who said not an obstacle at all/don’t know/refused)
Investment Finance

SOURCE OF INVESTMENT FINANCE

Internal funds continued to account for the highest share of investment finance by firms in Denmark (72%) in the last financial year. This is higher than in EIBIS 2019 and exceeds the EU average (64% and 62% respectively).

Service sector firms report the lowest level of external funding (12%) compared to the other sectors (ranging from 21% to 33%).

There has been a major change in the type of external finance used for investment activities in Denmark, with leasing or hire purchase now accounting for almost half of all such finance (47%). This is almost twice the level recorded in EIBIS 2019 (26%) and well above the EU average (21%).

Infrastructure firms report the highest share of external financing coming from leasing or hire purchase (65%) but there has been a large increase among service sector firms (up from 8% in EIBIS 2019 to 44%).

The use of bank loans has remained relatively steady compared to EIBIS 2019 (29% versus 32%) but the share of other source of bank finance has fallen from 31% to 18%.

Q: What proportion of your investment was financed by each of the following?

Q: Approximately what proportion of your external finance does each of the following represent?

**Loans from family, friends or business partners**

*Caution, very small base size less than 30

**Average finance share**

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Base: All firms who invested in the last financial year (excluding don’t know/ refused responses)

Base: All firms who used external finance in the last financial year (excluding don’t know/ refused responses)
Investment Finance

SHARE OF FIRMS HAPPY TO RELY EXCLUSIVELY ON INTERNAL SOURCES TO FINANCE INVESTMENT

The share of firms in Denmark that were happy to use internal funds or did not have a need for external finance has fallen from 27% in EIBIS 2019 to 17% and is exactly the same as the EU average.

Decreases are noted across all sectors and size of firms but the biggest decrease was among construction sector firms, which has more than halved (21% from 45%).

Q. What was your main reason for not applying for external finance for your investment activities? Was happy to use internal finance/didn’t need the finance

Base: All firms

SHARE OF PROFITABLE FIRMS

More than four in five (84%) of firms report generating a profit in the last financial year, this is in line with both EIBIS 2019 and the EU average (79% and 80% respectively). As profit figures refer to the previous financial year, they do not yet reflect the impact of COVID-19.

Specifically, around one-quarter (24%) of firms claim to be highly profitable, defined as generating a profit level at least 10% of firm turnover. This is much higher than the EU average (16%).

The sector with the highest share of highly profitable firms is the manufacturing sector (29%).

Q. Taking into account all sources of income in the last financial year, did your company generate a profit or loss before tax, or did you break even? Highly profitable is defined as profits/turndover of 10% or more

Base: All firms (excluding don’t know/refused)
Access To Finance

**DISSATISFACTION WITH EXTERNAL FINANCE RECEIVED**

Firms using external finance in the past financial year are on balance satisfied with the amount, cost, maturity, collateral and type of finance received. Firms in Denmark most frequently report to be dissatisfied with the required collateral and the cost of finance (both 6%, and in line with the EU averages 7% and 5% respectively).

**Share of dissatisfied firms**

![Graph showing share of dissatisfied firms](image)

Q. How satisfied or dissatisfied are you with ...?

*Base: All firms who used external finance in the last financial year (excluding don't know/refused responses)*

**DISSATISFACTION BY SECTOR AND SIZE (%)**

Although overall dissatisfaction levels are low, SMEs and manufacturing firms have the highest shares of firms dissatisfied with collateral requirements (8% and 10% respectively).

![Graph showing dissatisfaction by sector and size](image)

Q. How satisfied or dissatisfied are you with ...?

*Base: All firms who used external finance in the last financial year (excluding don't know/refused responses) *Caution very small base size less than 30

Effective bases less than 30 – no significance testing applied
Access To Finance

SHARE OF FINANCE CONSTRAINED FIRMS

Six per cent of all firms in Denmark could be considered as finance constrained in 2019, which is the same as in EIBIS 2019 and the EU average. The manufacturing sector has the highest share of finance constrained firms (8%).

Finance constrained firms include: those dissatisfied with the amount of finance obtained (received less), firms that sought external finance but did not receive it (rejected) and those who did not seek external finance because they thought borrowing costs would be too high (too expensive) or they would be turned down (discouraged)

Base: All firms

FINANCING CONSTRAINTS OVER TIME

The share of finance constrained firms in Denmark not changed compared to EIBIS 2019 and is similar to the EU average.
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Energy Efficiency

SHARE OF FIRMS INVESTING IN MEASURES TO IMPROVE ENERGY EFFICIENCY

More than half (51%) of firms have invested in measures to improve their energy efficiency, in line with EIBIS 2019 and the EU average (48% and 47% respectively).

Firms in the manufacturing sector are far more likely to invest than firms in the construction sector (59% versus 36%).

Similarly, large firms are also far more likely to invest than SMEs (63% versus 39%).

Q. What proportion of total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms

AVERAGE SHARE OF INVESTMENT IN MEASURES TO IMPROVE ENERGY EFFICIENCY

The average share of investment in measures to improve energy efficiency by firms in Denmark was 10% of total investment in EIBIS 2020, which is similar to EIBIS 2019 (7%) and the EU average (12%).

Firms of all sectors and regardless of size have reported an increase compared to the previous year. However, firms in the infrastructure sector have reported the strongest increase and now account for the highest share (15%, up from 7%).

Q. What proportion of total investment in the last financial year was primarily for measures to improve energy efficiency in your organisation?

Base: All firms who had invested in the last financial year (excluding don’t know/refused responses)
Energy Efficiency

ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT

Q. In 2019 and under normal conditions, did your company set and monitor internal targets on carbon emissions and energy consumption?
Q. In 2019 and under normal conditions, did your company have a designated person responsible for defining and monitoring climate change strategies?
Q. And can I check, in the past four years has your company had an energy audit? By this, I mean an assessment of the energy needs and efficiency of your company’s building or buildings.

Base: All firms

ENERGY TARGETS, MANAGEMENT AND INTERNAL AUDIT BY SECTOR AND SIZE

Firms in Denmark are as likely as EU firms to have set internal targets on carbon and energy (47% and 41% respectively) and to have designated a person to develop their climate change strategies (28% and 23% respectively).

More than half of all firms in Denmark (55%) have had an energy audit in the past four years, the same as the EU average.

In comparison to the other sectors, firms in the manufacturing sector are the most likely to have set targets (62%) and to have had an energy audit (76%).

Large firms are three times as likely to have a set targets compared to SMEs (71% versus 24%) and to have a designated person in place (42% versus 15%).

Base: All firms
Climate Change

CLIMATE CHANGE IMPACT

One in six firms (16%) feel climate change and the related changes in weather patterns had a major impact on their business, which is below the EU average (23%). A further one in three (31%) report a minor impact.

Firms in the infrastructure sector are more likely to have not been affected by climate change than firms in other sectors (overall 60% versus between 45% and 53%).

REDUCTION IN CARBON EMISSIONS OVER NEXT FIVE YEARS BY SECTOR AND SIZE (NET IMPACT %)

Firms in Denmark expect the transition to a low-carbon future to be positive for their reputation (36%) and market demand (28%) but to have a negative impact on their supply chain (-6%) over the next five years.

Compared to firms in other sectors, construction firms are more likely to believe that lower carbon emission will be positive for market demand (53%) and for their reputation (48%).
Climate Change

INVESTMENT PLANS TO TACKLE CLIMATE CHANGE IMPACT

Two-thirds of firms in Denmark (66%) have already invested or plan to invest in the next three years in measures to tackle the impact of weather events and to reduce carbon emissions. This is in line with the EU average (67%).

Firms in the construction sector are less likely to have invested or plan to invest than firms in the other sectors (40% versus between 61% and 74%).

Large firms are more likely to have invested or plan to invest than SMEs (81% versus 52%).

Uncertainty about the regulatory environment and taxation is the biggest barrier to investment in this area (60%), followed by uncertainty about new technologies to help tackle the impact (47%).

BARRIERS TO INVESTING IN ACTIVITIES TO TACKLE CLIMATE CHANGE BY SECTOR AND SIZE

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<thead>
<tr>
<th>Sector</th>
<th>Cost of investment activities</th>
<th>Availability of finance</th>
<th>Uncertainty about climate change impacts</th>
<th>Uncertainty about regulatory environment and taxation</th>
<th>Uncertainty about new technologies to help tackle the impact</th>
<th>Availability of staff with the right skills to identify and implement investments related to climate change</th>
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<td>SME</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>39</td>
</tr>
<tr>
<td>Large</td>
<td>66</td>
<td>66</td>
<td>66</td>
<td>66</td>
<td>66</td>
<td>39</td>
</tr>
</tbody>
</table>

Q. Now thinking about investments to tackle the impacts of weather events and reduction in carbon emissions, which of the following applies?

Base: All firms (excluding don’t know/refused responses)

BARRIERS TO INVESTING IN ACTIVITIES TO TACKLE CLIMATE CHANGE BY SECTOR AND SIZE

<table>
<thead>
<tr>
<th>Sector</th>
<th>Cost of investment activities</th>
<th>Availability of finance</th>
<th>Uncertainty about climate change impacts</th>
<th>Uncertainty about regulatory environment and taxation</th>
<th>Uncertainty about new technologies to help tackle the impact</th>
<th>Availability of staff with the right skills to identify and implement investments related to climate change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>62</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>34</td>
</tr>
<tr>
<td>Construction</td>
<td>67</td>
<td>67</td>
<td>67</td>
<td>67</td>
<td>67</td>
<td>39</td>
</tr>
<tr>
<td>Services</td>
<td>67</td>
<td>67</td>
<td>67</td>
<td>67</td>
<td>67</td>
<td>39</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>61</td>
<td>61</td>
<td>61</td>
<td>61</td>
<td>61</td>
<td>39</td>
</tr>
<tr>
<td>SME</td>
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<td>63</td>
<td>63</td>
<td>63</td>
<td>63</td>
<td>39</td>
</tr>
<tr>
<td>Large</td>
<td>66</td>
<td>66</td>
<td>66</td>
<td>66</td>
<td>66</td>
<td>39</td>
</tr>
</tbody>
</table>

Q. To what extent is the following an obstacle to investing in activities to tackle weather events and emissions reduction? Is it a major obstacle, minor obstacle or not at obstacle at all?

Base: All firms (data not shown for those who said not at obstacle at all / don’t know / refused)
Profile of Firms

CONTRIBUTION TO VALUE ADDED

In line with the EU average (49%), large firms with 250+ employees (49%) account for the greatest shares of value-added in Denmark.

Among sectors, manufacturing contributes the highest share of value-added (34%, 38% across the EU).

The charts reflect the relative contribution to value-added by firms belonging to a particular size class / sector in the population of firms considered. That is, all firms with 5 or more employees active in the sectors covered by the survey. Micro: 5-9 employees; Small: 10-49; Medium: 50-249; Large: 250+

Base: All firms

FIRM MANAGEMENT

Firms in Denmark are much more likely than the EU average to report using a formal strategic monitoring system (69% versus 55%). Large firms (89%) and manufacturing sector firms (77%) are the most likely to use a formal strategic monitoring system.

The share of firm that link individual performance to pay is the same in Denmark as the EU average (70%).

Just over four in ten firms in Denmark (41%) report being owned or controlled by their CEO or a member of the CEO’s family, much lower than the EU average (57%).

Q. And does your company (a) use a formal strategic business monitoring system (that compares the firm’s current performance against a series of strategic key performance indicators) (b) link individual performance with pay?

Q. Does the CEO/ company head of your firm own or control the firm, or have a family member that owns/controls it?

Base: All firms (excluding don’t know/refused responses)
EIBIS 2020 – Country Technical Details

**SAMPLING TOLERANCES APPLICABLE TO PERCENTAGES AT OR NEAR THESE LEVELS**

The final data are based on a sample, rather than the entire population of firms in Denmark, so the percentage results are subject to sampling tolerances. These vary with the size of the sample and the percentage figure concerned.

<table>
<thead>
<tr>
<th>EU</th>
<th>US</th>
<th>DK</th>
<th>Manufacturing</th>
<th>Construction</th>
<th>Services</th>
<th>Infrastructure</th>
<th>SME</th>
<th>Large</th>
<th>EU vs DK</th>
<th>Manuf vs Constr</th>
<th>SME vs Large</th>
</tr>
</thead>
<tbody>
<tr>
<td>(11971)</td>
<td>(800)</td>
<td>(480)</td>
<td>(151)</td>
<td>(106)</td>
<td>(108)</td>
<td>(115)</td>
<td>(412)</td>
<td>(68)</td>
<td>(11971 vs 480)</td>
<td>(106 vs 151)</td>
<td>(412 vs 68)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SAMPLING TOLERANCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>10% or 90%</td>
</tr>
<tr>
<td>1.1% 3.5% 6.3%</td>
</tr>
<tr>
<td>2.5% 6.1% 7.9%</td>
</tr>
<tr>
<td>3.5% 6.7% 7.3%</td>
</tr>
<tr>
<td>4.5% 6.5% 7.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>30% or 70%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.7% 5.3% 5.6%</td>
</tr>
<tr>
<td>2.5% 9.4% 9.7%</td>
</tr>
<tr>
<td>3.5% 10.2% 10.5%</td>
</tr>
<tr>
<td>4.5% 12.5% 12.8%</td>
</tr>
<tr>
<td>5.5% 15.5% 15.8%</td>
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</table>

<table>
<thead>
<tr>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.9% 5.8% 7.5%</td>
</tr>
<tr>
<td>2.5% 9.9% 10.5%</td>
</tr>
<tr>
<td>3.5% 10.8% 11.3%</td>
</tr>
<tr>
<td>4.5% 11.6% 12.1%</td>
</tr>
<tr>
<td>5.5% 11.9% 12.5%</td>
</tr>
</tbody>
</table>

**GLOSSARY**

**Investment**
A firm is considered to have invested if it spent more than EUR 500 per employee on investment activities with the intention of maintaining or increasing the company’s future earning.

**Investment cycle**
Based on the expected investment in current financial year compared to last one, and the proportion of firms with a share of investment greater than EUR 500 per employee.

**Manufacturing sector**
Based on the NACE classification of economic activities, firms in group C (manufacturing).

**Construction sector**
Based on the NACE classification of economic activities, firms in group F (construction).

**Services sector**
Based on the NACE classification of economic activities, firms in group G (wholesale and retail trade) and group I (accommodation and food services activities).

**Infrastructure sector**
Based on the NACE classification of economic activities, firms in groups D and E (utilities), group H (transportation and storage) and group J (information and communication).

**SME**
Firms with between 5 and 249 employees.

**Large firms**
Firms with at least 250 employees.

**EIBIS 2019**
The previous wave of the EIB Investment Survey, with interviews carried out between April-July 2019.

**EIBIS 2020**
The current wave of the EIB Investment Survey, with interviews carried out between May-August 2020.

*Note: the EIBIS 2020 overview refers interchangeably to ‘the past/last financial year’ or to ‘2019’. Both refer to results collected in EIBIS 2020, where the question is referring to the past financial year, with the majority of the financial year in 2019 in case the financial year is not overlapping with the calendar year 2019.*
EIB Group survey on investment and investment finance 2020.
Country overview: Denmark

EIBIS 2020 – Country Technical Details

The country overview presents selected findings based on telephone interviews with 480 firms in Denmark (carried out between May and August 2020).

**BASE SIZES** (*Charts with more than one base; due to limited space, only the lowest base is shown*)

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>All firms (excluding don't know/refused responses), p. 2</td>
<td>11634/11417</td>
<td>748/711</td>
<td>461/472</td>
<td>143</td>
<td>101</td>
<td>106</td>
<td>111</td>
<td>396</td>
<td>65</td>
</tr>
<tr>
<td>All firms with investment plans for the current financial year (excluding don't know/refused responses), p. 3 (bottom), p. 4 (top)</td>
<td>9606/NA</td>
<td>643/NA</td>
<td>436/NA</td>
<td>140</td>
<td>90</td>
<td>100</td>
<td>106</td>
<td>370</td>
<td>66</td>
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<tr>
<td>All firms who have invested in the last financial year (excluding don't know/refused responses), p. 5 (top)</td>
<td>10138/9716</td>
<td>682/624</td>
<td>396/432</td>
<td>123</td>
<td>86</td>
<td>92</td>
<td>95</td>
<td>340</td>
<td>56</td>
</tr>
<tr>
<td>All firms who have invested in the last financial year (excluding don't know/refused responses), p. 5 (bottom)</td>
<td>9874/9506</td>
<td>683/620</td>
<td>400/434</td>
<td>124</td>
<td>88</td>
<td>95</td>
<td>93</td>
<td>349</td>
<td>51</td>
</tr>
<tr>
<td>All firms (excluding 'Company didn’t exist three years ago’ responses), p. 6</td>
<td>11949/12042</td>
<td>799/802</td>
<td>479/475</td>
<td>151</td>
<td>106</td>
<td>108</td>
<td>114</td>
<td>411</td>
<td>68</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 7 (top)</td>
<td>11727/11757</td>
<td>787/775</td>
<td>466/474</td>
<td>148</td>
<td>105</td>
<td>105</td>
<td>108</td>
<td>401</td>
<td>65</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 7 (bottom)</td>
<td>11608/0</td>
<td>780/0</td>
<td>466/0</td>
<td>148</td>
<td>105</td>
<td>105</td>
<td>108</td>
<td>401</td>
<td>65</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 8 (top)</td>
<td>11720/11770</td>
<td>769/772</td>
<td>452/477</td>
<td>141</td>
<td>99</td>
<td>105</td>
<td>107</td>
<td>389</td>
<td>63</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 8 (bottom)</td>
<td>9039/8380</td>
<td>600/516</td>
<td>329/398</td>
<td>98</td>
<td>74</td>
<td>83</td>
<td>74</td>
<td>287</td>
<td>42</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 9</td>
<td>11938/11937</td>
<td>799/800</td>
<td>480/480</td>
<td>151</td>
<td>106</td>
<td>108</td>
<td>115</td>
<td>412</td>
<td>68</td>
</tr>
<tr>
<td>All firms who have invested in the last financial year (excluding don’t know/refused responses), p. 12</td>
<td>9255/9008</td>
<td>648/587</td>
<td>349/353</td>
<td>105</td>
<td>80</td>
<td>79</td>
<td>85</td>
<td>304</td>
<td>45</td>
</tr>
<tr>
<td>All firms who used external finance in the last financial year (excluding don’t know/ refused responses), p. 12</td>
<td>4354/4369</td>
<td>314/252</td>
<td>128/147</td>
<td>42</td>
<td>28</td>
<td>21</td>
<td>37</td>
<td>106</td>
<td>22</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 13</td>
<td>10711/10490</td>
<td>637/605</td>
<td>444/438</td>
<td>143</td>
<td>95</td>
<td>102</td>
<td>104</td>
<td>378</td>
<td>66</td>
</tr>
<tr>
<td>All firms who used external finance in the last financial year (excluding don’t know/ refused responses), p. 14*</td>
<td>4310/4292</td>
<td>314/245</td>
<td>127/142</td>
<td>41</td>
<td>29</td>
<td>20</td>
<td>36</td>
<td>105</td>
<td>22</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 18</td>
<td>11898/NA</td>
<td>794/NA</td>
<td>475/NA</td>
<td>149</td>
<td>105</td>
<td>108</td>
<td>113</td>
<td>408</td>
<td>67</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 19</td>
<td>11739/NA</td>
<td>772/NA</td>
<td>479/NA</td>
<td>150</td>
<td>106</td>
<td>108</td>
<td>115</td>
<td>411</td>
<td>68</td>
</tr>
<tr>
<td>All firms (excluding don’t know/refused responses), p. 20*</td>
<td>11740/11627</td>
<td>777/762</td>
<td>476/474</td>
<td>150</td>
<td>104</td>
<td>108</td>
<td>113</td>
<td>408</td>
<td>67</td>
</tr>
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</table>
Denmark Overview